# MINUTES OF THE PUBLIC UTILITIES AND TECHNOLOGY INTERIM COMMITTEE

Wednesday, July 16, 2014 – 2:30 p.m. – Room 215 Senate Building

### **Members Present:**

Sen. David P. Hinkins, Senate Chair Rep. Roger E. Barrus, House Chair

Sen. Peter C. Knudson

Sen. Ralph Okerlund

Rep. Kay J. Christofferson

Rep. Stephen G. Handy

Rep. Lynn N. Hemingway

Rep. Merrill F. Nelson

Rep. Curtis Oda

Rep. Angela Romero

Rep. Robert M. Spendlove

Rep. John R. Westwood

# **Members Absent:**

Sen. Gene Davis Rep. John Knotwell

#### **Staff Present:**

Mr. Richard C. North, Policy Analyst

Mr. Samuel C. Johnston, Associate General Counsel

Ms. Tracey Fredman, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

#### 1. Committee Business

Chair Barrus called the meeting to order at 2:40 p.m. Rep. Knotwell was excused from the meeting.

**MOTION:** Sen. Knudson moved to approve the minutes of the June 18, 2014, meeting. The motion passed unanimously. Sen. Okerlund was absent for the vote.

# 2. Electricity/Transmission – Utah's Energy Future: A Panel Discussion

Staff distributed "Responses to Utah's Future Electrical Energy Transmission and Generation Questions," which included written comments on the future of power generation in the state from Utah Rural Electrical Cooperatives, Rocky Mountain Power, the Utah Municipal Power Agency, and the Governor's Office of Energy Development.

Ms. Roxane Perruso, Vice President and General Counsel, TransWest Express, briefed committee members on the TransWest Express project, which is a high voltage transmission line that will begin at Sinclair, Wyoming, run through Utah, and end just south of Las Vegas near Boulder City, Nevada. Ms. Perruso said the plans include a terminal near Delta, Utah, given sufficient demand.

Ms. Perruso also distributed "TransWest Express Transmission Project," "TransWest Express Transmission Project and Utah," "Background Facts About Federal Utility Corridors in Utah," and "Corridors that BLM considered for the TransWest Express Transmission Project, the Sigurd-Red Butte project, and the Energy Gateway South project." She noted that some projections for Utah's future energy needs may include the TransWest Express project, expected to be completed in 2017-2018, and possible upgrades of other existing transmission lines.

Mr. Brad Shafer, Manager, Government Affairs, Rocky Mountain Power, presented "Transmission Overview." Mr. Shafer referred committee members to the previously distributed handout "Corridors that BLM considered for the TransWest Express Transmission Project, the Sigurd-Red Butte project, and the Energy Gateway South project," and discussed Rocky Mountain Power's transmission planning process. He indicated that Rocky Mountain Power believes it has the corridors needed to serve Utah's population for the next 30 years, but there is also a need to identify new corridors to serve future populations.

Committee discussion followed. Ms. Perruso and Mr. Shafer responded to committee members' questions.

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Mr. Curtis Winterfeld, Vice President, Deseret Power, indicated that Deseret Power is the wholesale generation and transmission cooperative that provides electric power to portions of rural Utah and surrounding states. Mr. Winterfeld stated that it is difficult and costly to forecast future electrical energy needs and available resources.

Mr. Doug Hunter, General Manager, Utah Association of Municipal Power Systems, stated that the association supports and participates in Rocky Mountain Power's planning process. Mr. Hunter indicated that planning 10 years into the future is important due to the time it takes to obtain permits but that planning out to the year 2050 may not be possible. Mr. Hunter noted that the association has been looking at developing a plan to consider small modular, nuclear reactors under 250 megawatts, which could be placed at current coal sites utilizing the transmission lines already in place.

Mr. Scott Lynsky, Operation Manager, Utah Municipal Power Agency, briefed committee members that the agency, formed in 1980 under the Interlocal Cooperation Act, supplies power to its member municipalities, which are Provo, Spanish Fork, Manti, Levan, Salem, and Nephi. Mr. Lynsky indicated that because the agency's board of directors is made up of the mayors of each city or the mayor's designee, local input is considered in the development of projects. Mr. Lynsky also commented on the state's abundant resources of coal and on the development of carbon sequestration and storage technology, which the agency would like to see over the next 10 to 20 years.

Ms. Michelle Beck, Director, Office of Consumer Services, concurred with previous speakers that planning ahead to 2050 is too far, but that planning ahead 10 to 15 years is appropriate. Ms. Beck spoke in support of the work of the Northern Tier Transmission Group, the Western Electricity Coordinating Council, and PacificCorp's Integrated Resource Plan. Ms. Beck recommended that the Legislature set parameters rather than ask transmission providers for a written plan, which might add a regulatory burden and increase costs to consumers. She indicated that the processes currently in place are sufficient to ensure that public needs are met.

Mr. Chris Parker, Director, Division of Public Utilities, commented on the difficulty in planning accurately for future needs and spoke in support of Ms. Beck's recommendation that no further regulatory processes be added onto what already exists.

## 3. Other Items / Adjourn

**MOTION:** Sen. Knudson moved to adjourn the meeting. The motion passed unanimously. Rep. Hemingway was absent for the vote.

Chair Barrus adjourned the meeting at 4:36 p.m.